

PREFACE

In 2005, the House Select Committee on Education of Students with Disabilities was established to study and recommend revisions to the General Statutes governing the education of students with disabilities for the following purposes:

- (1) To update definitions and requirements to ensure that the public schools and education programs for students with disabilities are meeting these students' special needs.
- (2) To provide a consistent statutory maximum age for students with disabilities entitled to a free appropriate public education.
- (3) To reflect higher education expectations for children with disabilities and the requirements of the State's school accountability program.
- (4) To ensure that schools and school systems are held accountable for the educational progress of students with disabilities.
- (5) To determine whether the Department of Public Instruction has adopted guidelines that have had an unfunded fiscal impact on local school systems, and if so, how to address this in the future.
- (6) To ensure that the General Statutes are consistent with federal law governing the education of all children, including exceptional children.

North Carolina has been a leader in special education, establishing State law in 1974, before the first federal law on the subject passed in 1975. North Carolina's special education policy is set out in Article 9 of Chapter 115C of the General Statutes. This law has developed not only because of the federal mandates, but also because of the dedication and commitment of the General Assembly. In 2006, this Committee recommended a complete repeal, modernization, and revision of the 1974 law, which passed the General Assembly and is now law. That landmark legislation, along with the bills proposed in this report, continue the Legislature's unwavering commitment and tradition as a national leader in the delivery of special education to the children of North Carolina.

One of the many challenges for State policymakers is how to continue to adequately fund special education. The Individuals with Disabilities Act (IDEA) is the federal special education law that provides funding to assist states in providing education to students with varying degrees of disability. In exchange for federal funding, IDEA requires states to provide a free appropriate public education (FAPE) in the least restrictive environment (LRE). When Congress first passed IDEA in 1975, it committed to pay up to 40 percent of the national average per pupil expenditures to offset the excess cost of educating children with disabilities. Congress has never funded special education to that level and, consequently, the State and local school administrative units have had to make up substantial differences in funding.

In North Carolina, the number of students with disabilities is growing and the amount of funding has not kept pace. In addition to federal funding, each local school administrative unit receives State funds for the lesser of (i) all children who are